Q2 2011 Stockholder Presentation

July 27, 2011

Safe Harbor Statement

Safe Harbor Statement Under the Private Securities Litigation Reform Act of 1995

This presentation contains statements that, to the extent they are not recitations of historical fact, constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 (the “Reform Act”). All such forward-looking statements are intended to be subject to the safe harbor protection provided by the Reform Act. Actual outcomes and results could differ materially from those forecast due to the impact of many factors beyond the control of American Capital Agency Corp. (“AGNC”). All forward-looking statements included in this presentation are made only as of the date of this presentation and are subject to change without notice. Certain factors that could cause actual results to differ materially from those contained in the forward-looking statements are included in our periodic reports filed with the Securities and Exchange Commission (“SEC”). Copies are available on the SEC’s website at www.sec.gov. AGNC disclaims any obligation to update our forward-looking statements unless required by law.

The following slides contain summaries of certain financial and statistical information about AGNC. They should be read in conjunction with our periodic reports that are filed from time to time with the SEC, including our quarterly report on Form 10-Q for the quarter ended March 31, 2011. Historical results discussed in this presentation are not indicative of future results.

Q2 2011 Highlights

- **$1.36 per Share of Net Income**
  - ✓ $1.41 per share, excluding $0.05 per share of other investment related losses
- **$1.56 per Share of Taxable Income (1)**
- **$1.40 per Share Dividend Declared**
- **$0.44 per Share of Undistributed Taxable Income as of June 30, 2011**
  - ✓ Increased $0.02, or 5% from $0.42 per share as of March 31, 2011
- **$26.76 Book Value per Share as of June 30, 2011**
  - ✓ Increased $0.80, or 3%, from $25.96 per share as of March 31, 2011
- **19% Annualized Return on Average Stockholders' Equity ("ROE") for the quarter (2)**

(1) Taxable income per share is based on the weighted average shares outstanding for Q2 2011. Please refer to slide 26 on the use of Non-GAAP financial information

(2) Annualized ROE based on net income and average month-ended stockholders' equity for Q2 2011. Average ROE was 21%, *pro forma*, when average equity is adjusted to exclude the June 2011 follow-on equity offering that closed on June 28, 2011

Q2 2011 Other Highlights

- **$40 Billion Investment Portfolio as of June 30, 2011**
- **7.5x Leverage as of June 30, 2011 (1)**
  - ✓ 7.6x average leverage for the quarter (2)(3)
- **9% Portfolio CPR for the Quarter (4)**
  - ✓ 8% CPR for the month of July 2011 (5)
- **2.46% Annualized Net Interest Spread for the Quarter**
  - ✓ 2.36% net interest spread as of June 30, 2011
- **$1.37 Billion of Net Proceeds Raised from Follow-on Equity Offering during Q2**
  - ✓ Equity raise was accretive to book value

(1) Leverage calculated as the sum of total repurchase agreements, net payable for unsettled purchases and sales of securities and other debt divided by total stockholders' equity as of June 30, 2011
(2) Average leverage calculated as the daily weighted average repurchase agreement balance outstanding, less repurchase agreements for treasury securities and other debt divided by average month-ended equity
(3) Average leverage was 8.3x, *pro forma*, when average equity is adjusted to exclude the June 2011 follow-on equity offering that closed on June 28, 2011
(4) Actual weighted average monthly annualized CPR published during April, May and June 2011 for agency securities held during the second quarter of 2011
(5) Actual weighted average annualized CPR published during July 2011 for agency securities held as of June 30, 2011

Market Information

Security	9/30/10	12/31/10	3/31/11	6/30/11	Q2 2011 Δ
Treasury Rates					
2 Yr UST	0.43%	0.59%	0.83%	0.46%	-0.37%
5 Yr UST	1.27%	2.01%	2.28%	1.76%	-0.52%
10 Yr UST	2.51%	3.30%	3.47%	3.16%	-0.31%
Swap Rates					
2 Yr Swap	0.60%	0.80%	1.00%	0.70%	-0.30%
5 Yr Swap	1.52%	2.18%	2.47%	2.03%	-0.43%
10 Yr Swap	2.57%	3.39%	3.57%	3.28%	-0.30%
30 Year Fixed Rate Mortgages					
4.0%	102.77	99.47	98.14	100.02	+1.88
4.5%	104.14	102.65	101.55	103.52	+1.97
5.0%	105.30	105.13	104.42	106.27	+1.84
5.5 %	106.33	106.98	106.77	108.23	+1.47
6.0%	107.45	108.65	108.67	109.92	+1.25

Security	9/30/10	12/31/10	3/31/11	6/30/11	Q2 2011 Δ
15 Year Fixed Rate Mortgages					
3.5%	103.16	100.72	100.08	101.83	+1.75
4.0%	104.39	102.94	102.61	104.20	+1.59
4.5%	105.20	104.80	104.67	106.05	+1.38
5.0%	106.11	106.11	106.27	107.27	+1.00
New Hybrid ARMs					
5/1 - 3.50%	104.41	103.38	103.20	104.16	+0.96
7/1 - 3.75%	104.78	103.06	102.73	104.09	+1.36
10/1- 4.25%	104.80	103.84	103.44	104.94	+1.50
Seasoned Hybrid ARMs					
5/1 - 5.75% 24 MTR	106.17	106.50	107.14	107.25	+0.11
10/1 - 5.75% 80 MTR	107.69	107.69	108.05	108.47	+0.42

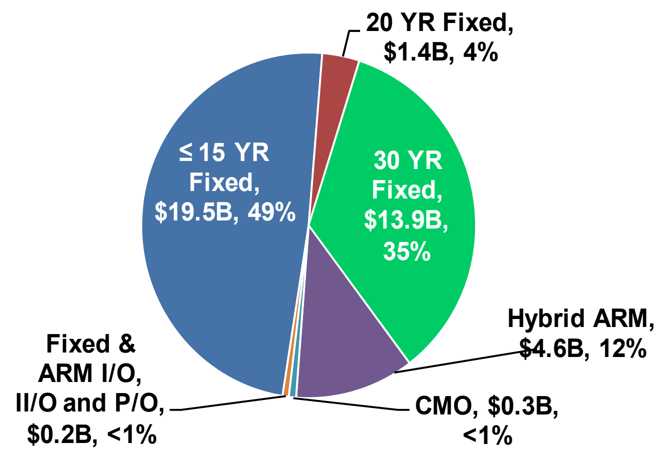
Source: Combination of Bloomberg and dealer indications

Note: Price information is provided for information only and is for generic instruments and is not meant to be reflective of securities held by AGNC. Prices can vary depending on the source and in some cases can vary materially.

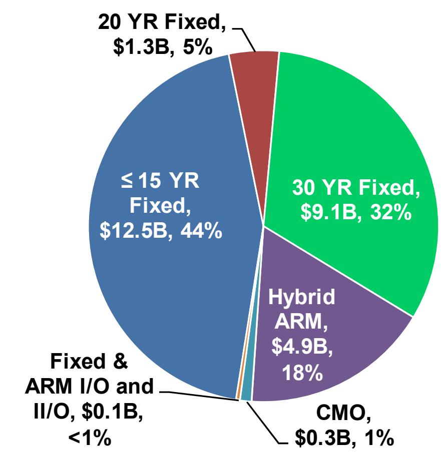
Q2 2011 Portfolio Update

- Maintained Diversified and Balanced Portfolio as We Invested the New Capital Raised During the Quarter by Acquiring Value Added Assets Throughout the Agency Space
- Increased the Percentage of Selected Types of 15 Year and 30 Year Mortgage Securities
- Speeds on the Portfolio Remained Well Behaved, Averaging 9% CPR for the Quarter

$39.9 B Portfolio as of 6/30/11 (1)(2)



$28.2 B Portfolio as of 3/31/11 (1)(2)



AGNC Actual Monthly CPR's (3)

	Mar 2011	Apr 2011	May 2011	June 2011	July 2011
AGNC Portfolio	12%	11%	9%	8%	8%

(1) Excludes $0.4 B notional ($75.7 MM market value) and $1 B notional ($0.2 B market value) of Markit IOS total return swap positions as of 6/30/11 and 3/31/11, respectively
(2) 6/30/11 and 3/31/11 30 YR fixed rate securities include $95MM and $94MM of 40 YR fixed rate securities, respectively
(3) Actual 1 month annualized CPR published during Mar, Apr, May, Jun and July 2011, respectively, for agency securities held as of the preceding month end

Asset Selection – Disciplined Growth

Despite significant portfolio growth, percentage of assets with favorable prepayment characteristics continues to grow

- **Portfolio growth is not being accomplished at the expense of asset quality**
- **The percentage of assets with favorable prepayment characteristics continues to grow despite larger portfolio size**
  - ✓ Within 15 year (our largest holdings), our focus on lower loan balance allows us to reduce interest rate exposure without compromising prepayment protection
  - ✓ Within newer 30 year, the vast majority (approximately 92%) of our holdings have characteristics that are expected to provide significant prepayment protection (HARP and lower loan balance)
- **Reduced exposure to seasoned premiums (as well as IOS) when complacency around prepayments drove valuations to lofty levels reducing the risk/return of these positions**
- **We remain steadfastly committed to continually upgrading and evolving our holdings in response to an ever changing market landscape**

≤15 Year - $19.5 B Portfolio (49% of Total)(1) as of 6/30/11

($ In Billions)	Market Value		Market Value	
	Q1	%	Q2	%
HARP & Lower Loan Balance(4)	$9.426	75.4%	$16.581	85.1%
Other New Issue	$1.845	14.8%	$2.640	13.6%
Seasoned > 12 months	$1.225	9.8%	$0.253	1.3%
Total 15 Year	**$12.496**	**100%**	**$19.474**	**100%**

30 Year - $13.9 B Portfolio (35% of Total)(2) as of 6/30/11

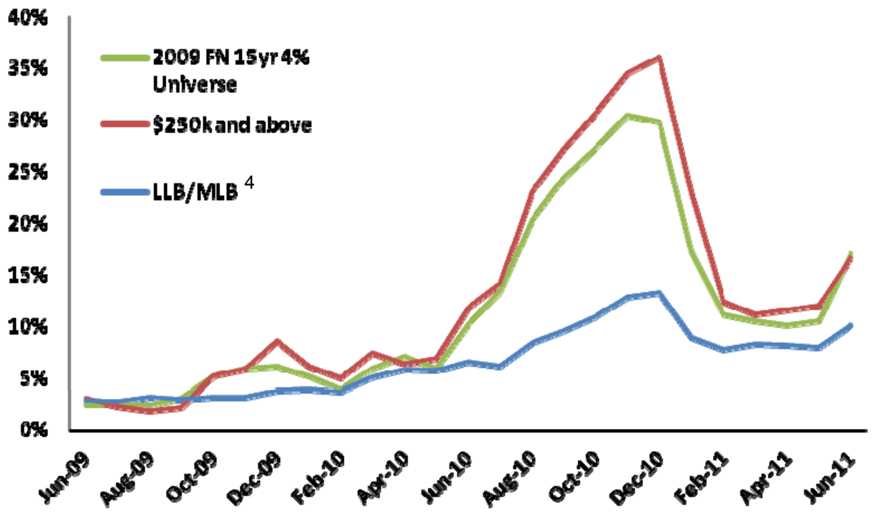
($ In Billions)	Market Value		Market Value	
	Q1	%	Q2	%
HARP & Lower Loan Balance(4)	$2.640	29.2%	$9.105	65.6%
Other New Issue	$0.456	5.0%	$0.834	6.0%
Seasoned (2009 and earlier) (3)	$5.956	65.8%	$3.950	28.4%
Total 30 Year	**$9.052**	**100%**	**$13.890**	**100%**

(1) Includes $292 MM and $273 MM of 10 year securities as of 3/31/11 and 6/30/11, respectively
(2) Includes $94 MM and $95 MM of 40 year securities as of 3/31/11 and 6/30/11, respectively
(3) Includes $3.0 B and $ 2.9 B of pools with vintages ≤ 2005 as of 3/31/11 and 6/30/11, respectively
(4) Lower Loan Balance includes loans with maximum loan sizes of ≤ $175 K. Average loan size as of 6/30/11 is $106 K and $123 K for ≤ 15 Year and 30 Year holdings, respectively

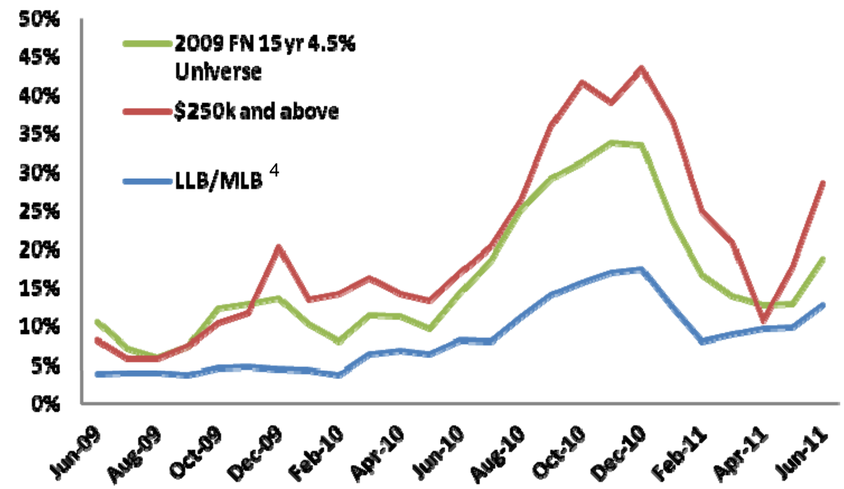
Prepayment Lessons from 2010

CPR's[1] for Generic Securities versus Specified Pools

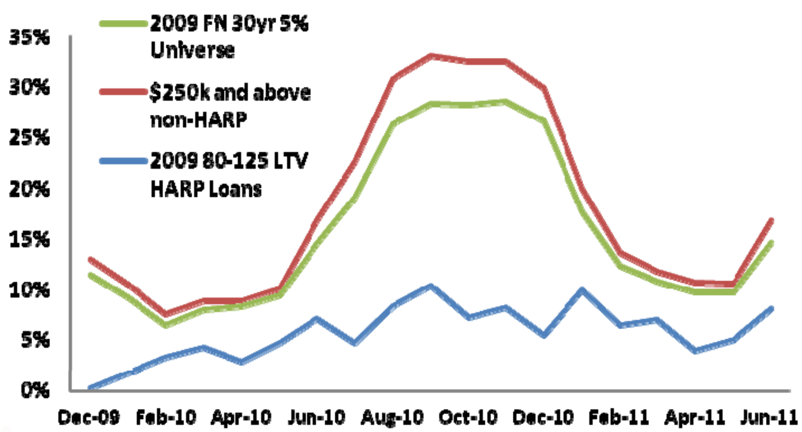
2009 FN 15Yr 4% vs. $85-110K Loan Size[3]



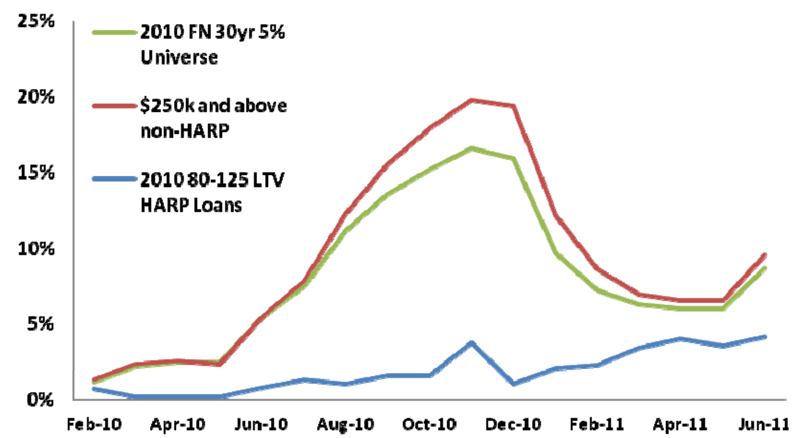
2009 FN 15Yr 4.5% vs. $85-110K Loan Size[3]



2009 FN 30Yr 5% vs. 80-125 LTV HARP[2] Loans[3]



2010 FN 30Yr 5% vs. 80-125 LTV HARP[2] Loans[3]



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(1) The Constant Prepayment Rate, or CPR, reflects the percentage of principal that is prepaid over a period of time on an annualized basis.
(2) Fannie Mae's (FN) mortgages refinanced through the Home Affordable Refinance Program (HARP), defined as 100% refinance with LTVs between 80 and 125%
(3) Data sourced from JP Morgan; June 2, 2011.
(4) Data represents agency securities backed by loans with maximum loan balances of up to $85k (LLB) and up to $110k (MLB)

Financing Summary

As of June 30, 2011

- **Repurchase Agreements with 26 Financial Institutions**
- **7.5x Leverage, Including Net Payable for Unsettled Purchases and Sales of Securities and Other Debt (1)**
- **0.23% Weighted Average Repo Cost of Funds**
  - ✓ Decrease of 5 bps from March 31, 2011

AGNC Repos (2)
($ in millions – as of June 30, 2011)

Original Repo Maturities	Repo Outstanding	Interest Rate	WA Days to Maturity
30 Days or less	$ 13,475.7	0.23%	13
31 – 60 Days	11,844.8	0.23%	28
61 – 90 Days	4,202.5	0.24%	22
Greater than 90 Days	3,982.1	0.25%	15
Total / Wtd Avg	**$ 33,505.1**	**0.23%**	**20**

(1) Other debt consists of other variable rate debt outstanding at Libor + 25 bps in connection with the consolidation of a structured transaction recorded as a financing transaction under GAAP
(2) Does not include other debt

Hedging Summary

Our Primary Hedging Objective is not to Eliminate Risk or to Lock in a Particular Net Interest Margin but to Maintain our Book Value within Reasonable Bands Under a Wide Range of Interest Rate Scenarios

Interest Rate Swaps

- ✓ $22.2 B notional swap book as of 6/30/11 (1)
  - 3.6 years average maturity
  - 66% of repo balance and other debt hedged excluding benefits of other hedges
    - Reduces to 62% when incorporating net unsettled trades

Interest Rate Swaptions

- ✓ $4.1 B notional payer swaptions
  - Added $2.7 B at cost of $36.3 MM
  - $0.7 B of payer and $0.3 B of receiver swaptions expired for a total loss of $3.9 MM
  - $36.4 MM total market value as of 6/30/11

Other Hedge Positions

- ✓ $1.6 B net short mortgage TBA positions
- ✓ $0.4 B notional net long Markit IOS total return swaps (market value of $0.1 B) (2)

Interest Rate Swaps (1)
($ in millions – as of June 30, 2011)

Maturity	Notional Amount	Pay Rate	Receive Rate	WA Years to Maturity
2011	$ 500	1.35%	0.19%	0.3
2012	750	2.01%	0.19%	1.1
2013	3,050	1.06%	0.19%	2.1
2014	5,500	1.36%	0.19%	3.0
2015	5,600	1.65%	0.19%	3.9
2016	6,750	2.23%	0.19%	4.9
Total / Wtd Avg	**$22,150**	**1.68%**	**0.19%**	**3.6**

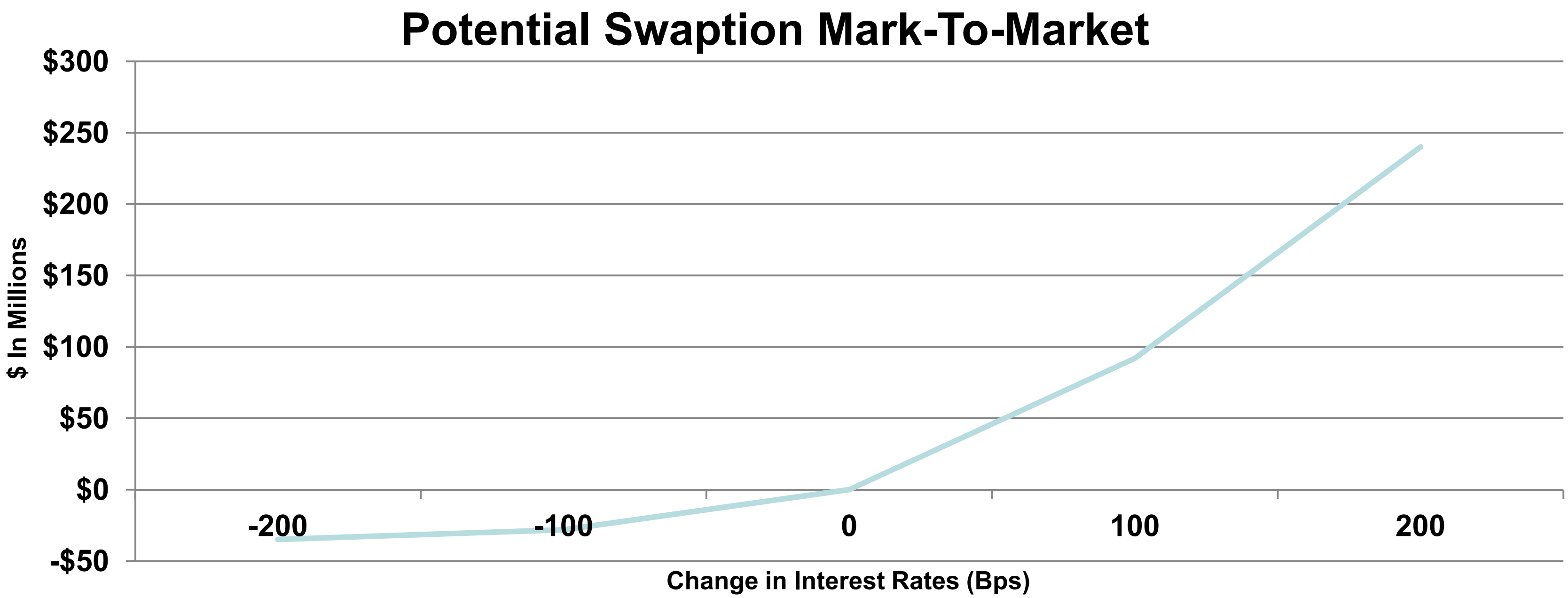
Interest Rate Swaptions
($ in millions – as of June 30, 2011)

Swaption	Cost	Weighted Average Expiration	Notional Amount	Pay Rate	Receive Rate	Term (Years)
Payer	$8.4	< 3 Months	$1,050	3.22%	1M Libor	6.9
Payer	44.7	> 3 Months	3,000	3.68%	1M Libor	7.0
Total Payer	**$53.1**	**6 Months**	**$4,050**	**3.56%**	**1M Libor**	**7.0**

(1) Includes $7.9 B of forward starting swaps as of June 30, 2011 starting through December 2011
(2) Long total return swap position on the Markit IOS index synthetically replicates the purchase of an interest only security funded at 1 month LIBOR.

Swaption Portfolio – Why We Use Them

Swaptions Have an Asymmetric Return Profile Where Losses Are Limited to the Premium Paid Irrespective of how Far Rates Move Against You but Gains Can be Multiples of the Upfront Cost



- **The above graph displays the projected mark-to-market performance of our swaption portfolio assuming immediate interest rate shocks of +/-200 bps[(1)]**
  - ✓ **Please refer to slide 25 for a more detailed discussion of swaptions**

(1) Projections for the swaption portfolio are derived from Blackrock solutions as of June 30, 2011. These projections are based on a point in time and require various assumptions. Other models could produce different results

Duration Gap Information

AGNC's Portfolio Had a "Duration Gap" of Approximately 0.6 Years as of June 30, 2011

- The duration of an asset or liability measures how much its price is expected to change if interest rates move in a parallel manner
- Duration gap is a measure of the difference in the interest rate exposure or estimated price sensitivity of our assets and our liabilities (including hedges)
- While the duration gap is an important indicator of interest rate risk, the duration of a mortgage changes with interest rates and tends to extend when rates rise and fall when rates fall. This "negative convexity" generally increases the interest rate exposure of a mortgage portfolio over what would be indicated by the duration gap alone
- The effects of duration and negative convexity on equity are amplified by leverage

Duration Gap
($ in millions, duration in years)

June 30, 2011							Mar. 31, 2011	Δ
Assets			Hedges			Net	Net	
Products	Market Value	Duration	Hedges	Notional Amount	Duration			
Fixed [1]	$34,801	3.4	Swaps	$22,150	(3.3)			
ARM [1]	5,004	1.9	Swaptions	4,050	(1.5)			
CMO [2]	512	(4.1)	TBAs [3]	1,586	(6.5)			
			Treasuries	1,463	(7.0)			
			IOS TRS [4]	373	(4.6)			
			Total	$29,622	(3.4)			
Total Assets	**$40,317**	**3.1**	**Hedge Duration Adjusted to Market Value of Assets**		**(2.5)**	**0.6**	**0.6**	**0%**

Our duration and duration gap estimates are derived from models that are dependent on inputs and assumptions provided by third parties as well as by our investment team and accordingly actual results could differ materially from these estimates. In addition, different models could generate materially different estimates using similar inputs and assumptions. Management uses judgment to address the limitations and weaknesses inherent in model calculations as it seeks to balance the protection of book value with the generation of attractive returns. Please also refer to slide 24 and our related disclosures in our 10-K's and 10-Q's for a more complete discussion of duration (interest rate risk).

(1) Fixed rate and ARM securities include securities purchased and sold on a forward basis accounted for as derivatives but are included in the asset balance for the purpose of duration
(2) CMO balance includes interest-only and inverse interest-only securities
(3) The net TBA amount includes of $1.2 B of 15 YR net long positions and $2.8 B of 30 YR net short positions, which have the affect of extending the duration profile
(4) Long total return swap position on the Markit IOS index synthetically replicates the purchase of an interest only security funded at 1 month LIBOR

Business Economics

(unaudited)	As of 6/30/11	As of 3/31/11	Q2 2011	Q1 2011	Q4 2010	Q3 2010	Q2 2010	Full Year 2010
Asset Yield	3.45%	3.47%	3.35%	3.39%	3.48%	3.23%	3.44%	3.44%
Cost of Funds (1)	(1.09)%	(1.05)%	(0.89)%	(0.81)%	(0.90)%	(1.02)%	(1.07)%	(1.02)%
Net Interest Rate Spread before Terminated Swap Expense	**2.36%**	**2.42%**	**2.46%**	**2.58%**	**2.58%**	**2.21%**	**2.37%**	**2.42%**
Cost of Funds – Terminated Swap Expense (2)	--	--	--	--	--	--	(0.19)%	(0.09)%
Net Interest Rate Spread	**2.36%**	**2.42%**	**2.46%**	**2.58%**	**2.58%**	**2.21%**	**2.18%**	**2.33%**
Leverage (3)	**7.5x**	**7.6x**	**7.6x**	**7.4x**	**8.4x**	**8.5x**	**7.9x**	**8.0x**
Leveraged Net Interest Rate Spread	17.59%	18.31%	18.64%	18.99%	21.55%	18.77%	17.15%	18.67%
Plus: Asset Yield	3.45%	3.47%	3.35%	3.39%	3.48%	3.23%	3.44%	3.44%
Gross ROE Before Expenses	**21.03%**	**21.78%**	**21.99%**	**22.38%**	**25.03%**	**22.00%**	**20.59%**	**22.11%**
Other Investment Income and Excise Tax, Net	**--%**	**--%**	**(0.65)%**	**2.65%**	**20.99%**	**9.57%**	**4.39%**	**15.12%**
Other Miscellaneous (4)	**--%**	**--%**	**(0.70)%**	**(0.71)%**	**(1.56)%**	**(1.51)%**	**(1.69)%**	**(1.52)%**
Management Fees as a % of Equity	(1.25)%	(1.27)%	(1.32)%	(1.42)%	(1.37)%	(1.25)%	(1.32)%	(1.31)%
Other Operating Expenses as a % of Equity	(0.38)%	(0.31)%	(0.48)%	(0.44)%	(0.66)%	(0.90)%	(1.01)%	(0.88)%
Total Operating Expenses as a % of Equity	**(1.63)%**	**(1.58)%**	**(1.80)%**	**(1.86)%**	**(2.03)%**	**(2.15)%**	**(2.33)%**	**(2.19)%**
Net Return on Equity	**19.40%**	**20.20%**	**18.84%**	**22.46%**	**42.43%**	**27.91%**	**20.96%**	**33.52%**

(1) Cost of funds as of 6/30/11 and 3/31/11 includes the impact of swaps in effect as of each date of $14.1 B and $9.4 B, respectively, plus forward starting swaps becoming effective, net of swaps expiring, within three months of each date of $6.9 B and $3.7 B, respectively

(2) Represents amortization expense associated with the termination of interest rate swaps during 2009

(3) Leverage as of 6/30/11 and 3/31/11 calculated as sum of repurchase agreements, net payable / receivable for agency securities purchased / sold but not yet settled and other debt divided by total stockholders' equity. Average leverage calculated as the daily weighted average sum of repurchases agreements and other debt outstanding divided by the average month-ended equity for the period. Average leverage for the 2nd quarter of 2011 was 8.3x, *pro forma,* when average equity is adjusted to exclude the June 2011 follow-on equity offering that closed on June 28, 2011. Average and ending leverage exclude repurchase agreements used to finance treasury securities, as applicable.

(4) Other miscellaneous reflects the impact of differences between the use of daily averages used for investment securities and repurchase agreements and the month-end average used for shareholders' equity, of cash and cash equivalents, restricted cash, other non investment assets and liabilities, and of other immaterial rounding differences

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Agency Asset Selection

The Table Below Demonstrates how Critical Prepayment Performance can be for Agency Securities in Driving ROE and Shareholder Value Creation

Hypothetical Yield Sensitivity Analysis					
	8% CPR	**12% CPR**	**20% CPR**	**30% CPR**	**40% CPR**
15 YR 4%(1)	3.03%	2.87%	2.49%	1.94%	1.29%
Hypothetical Cost of Funds	(1.00)%	(1.00)%	(1.00)%	(1.00)%	(1.00)%
Net Interest Rate Spread	2.03%	1.87%	1.49%	0.94%	0.29%
Return on Equity (8.0x Leverage)	19.3%	17.8%	14.4%	9.4%	3.6%

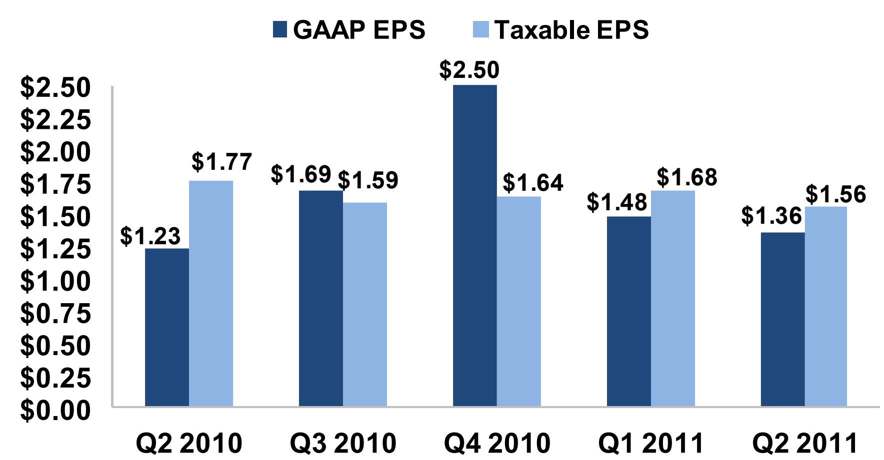
- **Prepayments are the key factor that differentiate mortgages from other fixed income securities**
- **As the above table demonstrates, prepayment performance has a material impact on margins and ROE**
- **The ability of management to select prepayment protected securities and to appropriately hedge the interest rate risk embedded in those positions will determine absolute and relative performance over the long term**

(1) Assumes a TBA price of 104.5625%. Higher quality specified pools typically trade at a premium to TBA.

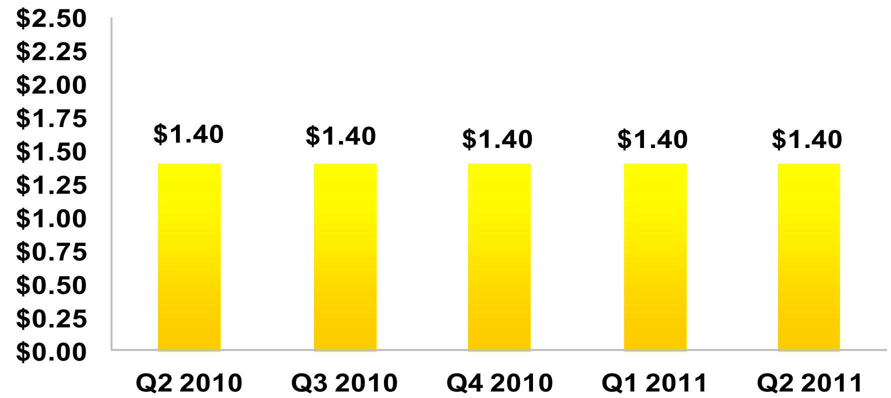
Supplemental Slides

AGNC Historical Overview

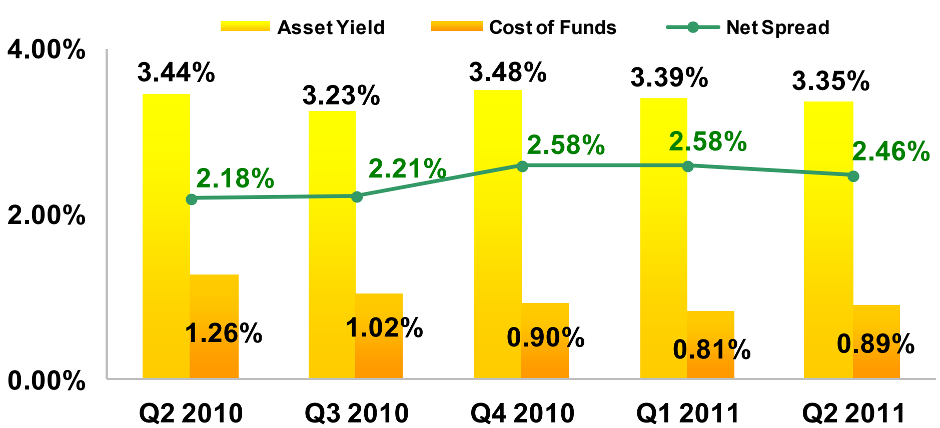
Earnings per Share



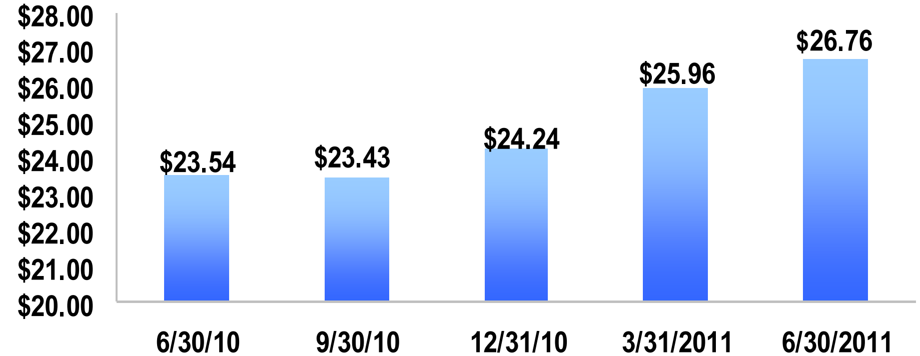
Dividend per Share



Net Spread

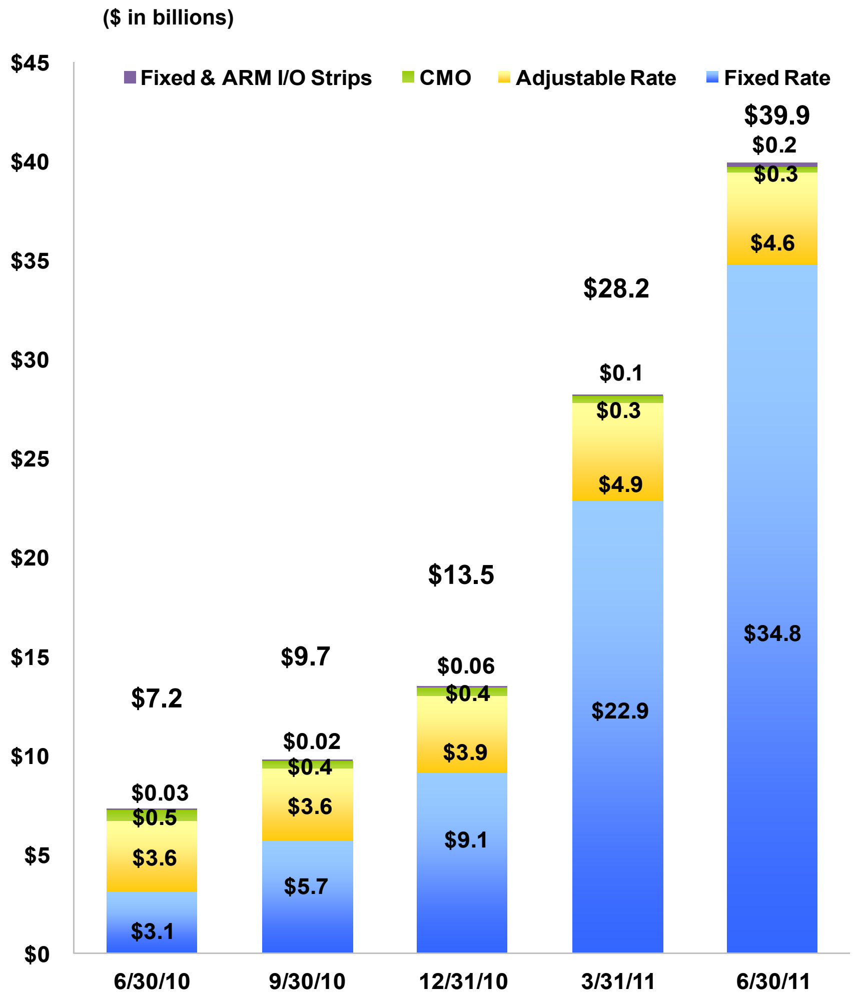


Book Value Per Share

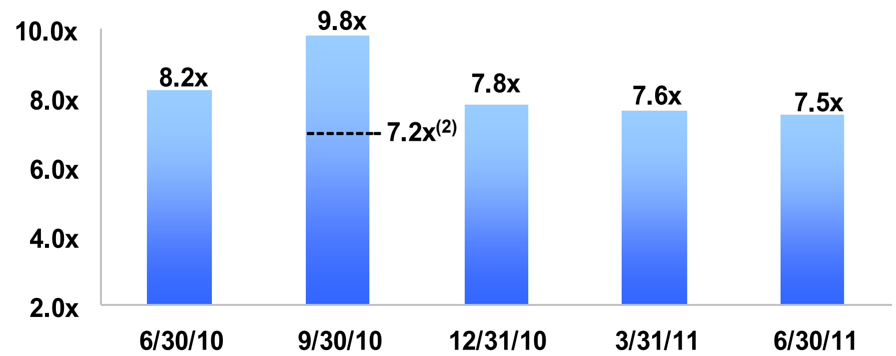


AGNC Historical Overview

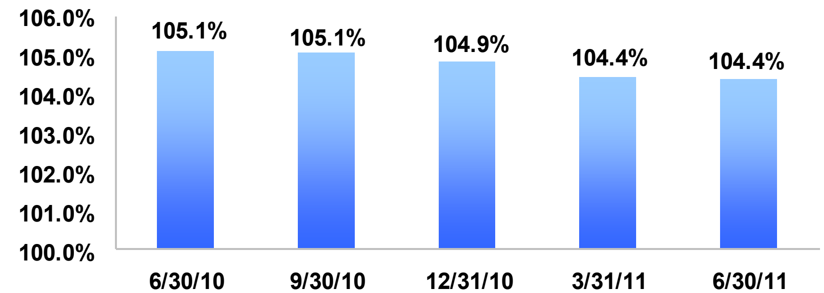
Investment Portfolio



Leverage(1)



Amortized Cost Basis



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(1) Leverage calculated as sum of repurchase agreements plus payable for agency securities purchased but not yet settled less receivable for agency securities sold but not yet settled and other debt divided by total stockholders' equity

(2) Leverage as of 9/30/10 was 7.2x, *pro forma*, when stockholder's equity was adjusted for the September follow-on equity offering of $328 million that settled on 10/1/10

Income Statements

($ in millions, except per share data) (Unaudited)	Q2 2011	Q1 2011	Q4 2010	Q3 2010	Q2 2010
Interest Income	$264.7	$164.4	$101.0	$62.6	$50.6
Interest Expense	(63.8)	(35.6)	(24.6)	(18.5)	(17.3)
Net Interest Income	200.9	128.8	76.4	44.1	33.3
Gain from Sale of Agency Securities, Net	93.9	4.2	10.4	24.6	29.6
Realized (Loss) Gain from Derivative Instruments and Trading Securities, Net	(80.4)	31.0	20.6	(0.8)	(4.9)
Unrealized (Loss) Gain from Derivative Instruments and Trading Securities, Net	(19.6)	(19.4)	37.5	(3.0)	(17.0)
Total Other Income (Loss), Net	(6.1)	15.8	68.5	20.8	7.7
Management Fee	(12.4)	(8.5)	(4.5)	(2.7)	(2.3)
General and Administrative Expenses	(4.6)	(2.6)	(2.1)	(1.9)	(1.8)
Total Operating Expenses	(17.0)	(11.1)	(6.6)	(4.6)	(4.1)
Income before Excise Tax	177.8	133.5	138.3	60.3	36.9
Excise Tax	--	--	(0.2)	(0.3)	--
Net Income	$177.8	$133.5	$138.1	$60.0	$36.9
Weighted Average Shares Outstanding – Basic and Diluted	130.5	90.3	55.3	35.5	29.9
Net Income per Share – Basic and Diluted	$1.36	$1.48	$2.50	$1.69	$1.23
Taxable Income per Share	$1.56	$1.68	$1.64	$1.59	$1.77
Dividends Declared per Share	$1.40	$1.40	$1.40	$1.40	$1.40

Note: Amounts may not foot due to rounding.

Reconciliation of Taxable Income[1]

($ in millions, except per share data) (unaudited)	Q2 2011	Q1 2011	Q4 2010	Q3 2010	Q2 2010
Net Income	**$177.8**	**$133.5**	**$138.1**	**$60.0**	**$36.9**
Book to Tax Differences:					
Premium Amortization, Net	8.1	(5.1)	(12.2)	6.8	(1.6)
Realized and Unrealized (Loss) Gain, Net	17.8	22.9	(35.5)	(10.9)	17.6
Other [2]	--	--	0.3	0.3	(0.1)
Total Book to Tax Differences	**25.9**	**17.8**	**(47.4)**	**(3.8)**	**15.9**
Estimated REIT Taxable Income	**$203.7**	**$151.3**	**$90.7**	**$56.3**	**$52.8**
Weighted Average Shares Outstanding – Basic and Diluted	**130.5**	**90.3**	**55.3**	**35.5**	**29.9**
Estimated REIT Taxable Income per Share – Basic and Diluted	**$1.56**	**$1.68**	**$1.64**	**$1.59**	**$1.77**
Estimated Cumulative Undistributed REIT Taxable Income per Share [3]	**$0.44**	**$0.42**	**$0.60**	**$0.99**	**$1.10**

Note: Amounts may not foot due to rounding.

(1) Please refer to slide 26 on the use of Non-GAAP financial information

(2) Other book to tax differences include temporary differences for non-deductible adjustments, such as GAAP hedge ineffectiveness, stock compensation expense, and permanent differences for non-deductible excise tax expense

(3) Based on shares outstanding as of each period end

Balance Sheets

($ in millions, except per share data)	As of (1) 6/30/11	3/31/11	12/31/10	9/30/10	6/30/10
Agency Securities, at Fair Value (including pledged assets of $35,118.0, $23,263.1, $12,270.9, $8,321.5 and $6,870.7, respectively)	$39,925.7	$28,193.0	$13,510.3	$9,736.5	$7,166.4
Cash and Cash Equivalents ($188.7, $75.2, $76.1, $62.5 and $37.9 restricted, respectively)	814.6	375.8	249.4	177.7	187.9
Derivative Assets, at Fair Value	86.1	142.0	76.6	11.3	7.4
Receivable for Agency Securities Sold	1,251.6	298.3	259.0	350.1	311.8
Receivable from Prime Broker	29.3	42.7	75.5	40.1	44.9
Receivable under Reverse Repurchase Agreements	1,388.2	--	247.4	--	--
Other Assets	141.1	103.2	57.6	43.1	37.1
Total Assets	$43,636.6	$29,155.0	$14,475.8	$10,358.8	$7,755.5
Repurchase Agreements	33,505.1	21,994.0	11,680.1	7,969.4	6,634.4
Other Debt (2)	61.8	67.8	72.9	80.8	--
Payable for Agency Securities Purchased	3,336.5	3,504.6	727.4	1,223.1	201.8
Derivative Liabilities, at Fair Value	290.3	92.7	78.6	113.9	76.2
Dividend Payable	180.4	135.3	90.8	54.5	47.1
Obligation to Return Securities Borrowed under Reverse Repurchase Agreements, at Fair Value	1,459.3	--	245.5	--	--
Other Liabilities	26.5	16.1	8.4	4.1	3.6
Total Liabilities	38,859.9	25,810.5	12,903.7	9,445.8	6,963.1
Stockholders’ Equity	4,776.7	3,344.5	1,572.1	913.0	792.4
Total Liabilities and Stockholders’ Equity	$43,636.6	$29,155.0	$14,475.8	$10,358.8	$7,755.5
Leverage (3)	7.5x	7.6x	7.8x	9.8x	8.2x
Book Value Per Share	$26.76	$25.96	$24.24	$23.43	$23.54

(1) Unaudited except for 12/31/2010
(2) Other debt consists of other variable rate debt outstanding at Libor + 25 bps in connection with the consolidation of a structured transaction recorded as a financing transaction under GAAP
(3) Leverage calculated as sum of repurchase agreements, net payable / receivable for agency securities purchased / sold but not yet settled and other debt divided by total stockholders’ equity

American Capital Agency

Book Value

Roll Forward of Net Book Value Per Share (1) (unaudited)	
Balance – March 31, 2011	**$25.96**
Net Income, Less Other Net Loss	1.41
Other Net Loss	(0.05)
Unrealized Gain on Available-for-Sale Securities, Net	2.44
Unrealized Loss on Swaps, Net	(1.94)
Dividends Declared	(1.40)
Accretion from Issuance of Common Stock	0.34
Balance – June 30, 2011	**$26.76**

(1) Beginning and ending net book value per share and dividends declared calculated based on shares outstanding as of their respective dates, all other amounts calculated based on weighted average shares outstanding during the period

Portfolio Fixed Rate Agency Securities

AGNC Fixed Rate MBS

($ in millions – as of June 30, 2011)

≤ 15 YR Mortgages

Coupon	Par Value	Market Value	% Total	Amortized Cost Basis	Average WAC(1)	Average Age (Months)	Actual 1 Month CPR(2)
3.5%	$ 7,910	$ 8,088	41%	101.9%	3.92%	6	4.8%
4.0%	9,040	9,472	49%	103.9%	4.40%	7	6.0%
4.5%	1,775	1,896	10%	104.9%	4.88%	15	9.6%
5.0%	7	7	0%	105.0%	5.45%	37	4.4%
≥ 5.5%	10	11	0%	104.9%	6.82%	51	22.6%
Total	**$18,742**	**$19,474**	**100%**	**103.2%**	**4.24%**	**7**	**5.8%**

20 YR Mortgages

Coupon	Par Value	Market Value	% Total	Amortized Cost Basis	Average WAC(1)	Average Age (Months)	Actual 1 Month CPR(2)
≤ 4.0%	$1,143	$1,167	80%	102.0%	4.35%	6	2.1%
4.5%	202	211	15%	103.7%	5.05%	14	12.2%
5.0%	48	52	4%	105.4%	5.47%	9	2.3%
6.0%	8	8	1%	108.1%	6.43%	56	16.6%
Total	**$ 1,401**	**$1,438**	**100%**	**102.4%**	**4.50%**	**8**	**3.6%**

30 YR Mortgages (3)

Coupon	Par Value	Market Value	% Total	Amortized Cost Basis	Average WAC(1)	Average Age (Months)	Actual 1 Month CPR(2)
≤ 4.0%	$47	$49	0%	103.9%	5.39%	36	5.9%
4.5%	5,590	5,799	42%	103.8%	4.94%	5	1.9%
5.0%	6,011	6,408	46%	106.0%	5.46%	42	8.0%
5.5%	1,113	1,206	9%	106.8%	6.00%	61	17.0%
6.0%	340	373	3%	107.4%	6.61%	50	19.7%
≥ 6.5%	49	55	0%	107.8%	7.28%	45	24.7%
Total	**$ 13,150**	**$ 13,890**	**100%**	**105.2%**	**5.32%**	**28**	**6.6%**

(1) Average WAC represents the weighted average coupon of the underlying collateral. The average WAC of fixed rate securities held as of June 30, 2011 was 4.68% and the weighted average coupon on the fixed rate securities was 4.25%
(2) Actual 1 month annualized CPR published during July 2011 for agency securities held as of June 30, 2011
(3) 30 YR securities include 95MM of 40 YR securities

Portfolio Hybrid ARM Securities

New Issue Hybrid ARMs (2009/2010/2011 Vintage)

Type	Par Value	Market Value	% Total	Amortized Cost Basis	Average Coupon	Average Age (1)	% Interest Only	1 Month CPR (2)
FH/FN 5/1	$ 15	$ 15	0.0%	103.2%	3.56	19	0%	18.5%
GN 5/1	90	95	2.0%	103.6%	4.01	13	0%	8.5%
FH/FN 7/1	1,971	2,039	44.0%	102.7%	3.47	5	14%	9.0%
GN 7/1	2	2	0.0%	104.5%	4.00	10	0%	35.3%
FH/FN 10/1	1,004	1,048	23.0%	103.4%	4.17	13	69%	13.7%
Subtotal	$ 3,082	$ 3,199	69.0%	103.0%	3.71	8	31%	10.6%

Seasoned Hybrid ARMs (Pre 2009 Vintage)

4.0%-4.9%	$ 333	$ 355	8.0%	106.0%	4.71	63	13%	17.4%
5.0%-5.9%	915	982	21.0%	106.0%	5.43	45	62%	21.7%
≥ 6.0%	71	77	2.0%	106.7%	6.14	51	81%	2.1%
Subtotal	$ 1,319	$ 1,414	31.0%	105.3%	5.29	50	51%	19.6%
Total ARMs	**$ 4,401**	**$ 4,613**	**100%**	**103.7%**	**4.18%**	**21**	**37%**	**13.3%**

Reset	Market Value	% Total	Average Reset	Average Coupon
0-23 Months	$ 156	3%	4	4.85%
24-35 Months	602	13%	30	5.12%
36-60 Months	445	10%	44	5.05%
> 60 Months	3,410	74%	88	3.88%
Total	**$ 4,613**	**100%**	**73**	**4.18%**

Index	% Total
LIBOR	89%
CMT / MTA	11%
COFI / Other	--%
Total	**100%**

(1) Average age in months
(2) Actual 1 Month annualized CPR published during July 2011 for agency securities held as of June 30, 2011

Duration Gap

- **The duration of an asset or liability measures how much its price is expected to change if interest rates move in a parallel manner**
  - ✓ For example: an instrument with a 1 yr duration is expected to change 1% in price for a 100 bp move in rates
- **Duration gap is a measure of the difference in the interest rate exposure, or estimated price sensitivity, of our assets and our liabilities (including hedges)**
  - ✓ It is calculated using relatively complex models and different models can produce substantially different results. Furthermore, actual performance of both assets and hedges may differ materially from the model estimates
  - ✓ Duration and convexity calculations generally assume all rates move together (2 yr rates, 10 yr rates, swap rates, treasury rates etc.) and this is typically not the case. As such, these calculations do not measure the "basis risk" or yield curve exposure, embedded in these positions
  - ✓ Higher leverage increases the exposure of our book value (or equity) to a given duration gap
- **The duration of mortgage assets also changes as interest rates move. The duration generally extends when interest rates rise and contracts when interest rates fall. This is called "negative convexity" and is generally driven by changes in prepayment expectations, which have historically been correlated with interest rates. Interest rate caps embedded in ARM securities also increase negative convexity**
  - ✓ Negative convexity generally increases the interest rate exposure of a mortgage portfolio significantly over what would be indicated by the duration gap alone
  - ✓ However, given the structural obstacles which currently impede some more seasoned borrowers' ability to easily refinance their mortgages, we believe that certain models have recently had a tendency to overstate the negative convexity of agency securities
- **AGNC uses a risk management system provided by Blackrock Solutions to generate these calculations and as a tool for helping us to measure other exposures, including exposure to larger interest rate moves and yield curve changes**
  - ✓ The base models, settings, and market inputs used to calculate the exposure to various scenarios are also provided by Blackrock Solutions but are adjusted from time to time by AGNC management personnel as needed. Blackrock also periodically adjusts their models in the normal course of business or if new information becomes available
- **The inputs and results from the models have not been audited by our independent auditors**

Swaptions – What are they?

- **Swaptions give us the right, over a specified period of time, to enter into a swap with a predetermined term at an agreed upon rate**
- **Swaptions can be either *receive-fixed (receiver)* where the purchaser has the option to receive a specified fixed-rate versus paying a floating rate (resembles a call option) or *pay-fixed (payer)* where the buyer has the option to pay a fixed-rate and receive a floating rate (resembles a put option)**
- **The following is an example of a pay-fixed or payer swaption:**
  - ✓ The buyer pays $2 million dollars for the right to enter into a $100 million notional swap with a 5 year maturity at a pay rate of 3.5%, beginning 2 years from now (the option period)
- **The return profile of a purchased swaption is asymmetric where your losses are limited to the premium you paid irrespective of how far rates move against you. Conversely your gains can be significant and will continue to grow in value if rates move significantly in the desired direction**

Use of Non-GAAP Financial Information

In addition to the results presented in accordance with GAAP, this presentation includes non-GAAP financial information, including our taxable income and certain financial metrics derived based on taxable income, which management uses in its internal analysis of results, and believes may be informative to investors. Taxable income is pre-tax income calculated in accordance with the requirements of the Internal Revenue Code rather than GAAP. Taxable income differs from GAAP income because of both temporary and permanent differences in income and expense recognition. Examples include temporary differences for unrealized gains and losses on derivative instruments and trading securities recognized in income for GAAP but excluded from taxable income until realized or settled, differences in the CPR used to amortize premiums or accrete discounts as well as treatment of start-up organizational costs, hedge ineffectiveness, and stock-based compensation and permanent differences for excise tax expense. Furthermore, taxable income can include certain estimated information and is subject to potential adjustments up to the time of filing of the appropriate tax returns, which occurs after the end of the calendar year of the Company. The Company believes that these non-GAAP financial measures provide information useful to investors because taxable income is directly related to the amount of dividends the Company is required to distribute in order to maintain its REIT tax qualification status. The Company also believes that providing investors with our taxable income and certain financial metrics derived based on such taxable income, in addition to the related GAAP measures, gives investors greater transparency to the information used by management in its financial and operational decision-making. However, because taxable income is an incomplete measure of the Company's financial performance and involves differences from net income computed in accordance with GAAP, taxable income should be considered as supplementary to, and not as a substitute for, the Company's net income computed in accordance with GAAP as a measure of the Company's financial performance. In addition, because not all companies use identical calculations, our presentation of our estimated taxable income may not be comparable to other similarly-titled measures of other companies. A reconciliation of non-GAAP taxable income to GAAP net income is set forth on slide 19.